

## Media release

### DDV presents the Sustainable Finance Code of Conduct

#### Issuers agree on uniform standards for sustainable structured products

*Berlin, Germany, 29 April 2021*

The 15 issuers of structured products represented in the German Derivatives Association (Deutscher Derivate Verband, DDV) have agreed on uniform product and transparency standards for sustainable structured products. These are set out in the DDV Sustainable Finance Code of Conduct.

“More and more retail investors want to invest their money sustainably. Our goal is to ensure that a variety of sustainable structured products are available to them for their individual investment strategies. The DDV Sustainable Finance Code of Conduct aims to provide transparency and reliability for sustainable investment in structured products, and thus create trust in the market,” says Dr Henning Bergmann, CEO and Member of the Board of Directors of the DDV.

The DDV Sustainable Finance Code of Conduct distinguishes between ESG Products and ESG Impact Products. In the case of ESG Products, the issuer defines one or more dedicated sustainability strategies in advance for the selection of the underlying, discloses them, and subsequently applies them. ESG Impact Products are impact-focused bonds that pursue one or more measurable sustainability objectives. This means that, within the scope of the issuer’s business activities, an amount initially equal to the net proceeds of the issuance has been or will be used to fund economic activities that contribute to the defined sustainability objectives. These can be, for example, green/environmental objectives or social objectives, or some combination of both. Importantly, this is to be conducted in accordance with recognised standards, such as the Green Bond Principles or the Social Bond Principles of the International Capital Market Association (ICMA) or, in future, the EU Green Bond Standard.

For both ESG Products and ESG Impact Products, issuers need to state which sustainability standard they themselves follow (e.g., the UN Principles for Responsible Banking, the UN Global Compact, or other equivalent principles). This also applies if they issue Basic Products. With Basic Products, issuers take the principles of the UN Global Compact into account as well, but the products are not classified as sustainable. Only ESG Products and ESG Impact Products are labelled as sustainable and carry a common logo.

“The publication of the DDV Sustainable Finance Code of Conduct is the starting signal for a wide variety of sustainable structured products. The Code is designed in such a way that we can follow the further development of requirements at the EU level and in Germany. In any case, investors have transparency about which sustainability strategies underlie the respective security and can make a

well-informed decision,” says Bergmann. “We as an industry and at the DDV are clearly committed to the transformation of our economy and society towards greater sustainability and climate protection. It is one of the great tasks of our time, and both the EU and German policymakers rightly have this issue on their agenda.”

The regulatory provisions do not currently cover all financial products; in particular, structured products are not currently covered by the EU Sustainable Finance Disclosure Regulation. “We assume that the industry will implement these requirements in an equivalent manner. The DDV is in favour of future regulation that takes into account all financial products with their special features. In general, the DDV believes it important that sustainable finance contributes harmoniously to the EU Capital Markets Union. We hope to contribute to the efforts in Germany and in Europe,” says Bergmann.

You can download the DDV Sustainable Finance Code of Conduct [here](#) on our website.

---

Deutscher Derivate Verband (DDV), the German Derivatives Association, is the industry representative body for the leading issuers of structured products in Germany, who represent more than 90 percent of the German structured products market: BNP Paribas, Citigroup, DekaBank, Deutsche Bank, DZ BANK, Goldman Sachs, Helaba, HSBC Trinkaus, HypoVereinsbank, J.P. Morgan, LBBW, Morgan Stanley, Société Générale, UBS, and Vontobel. Furthermore, the Association’s work is supported by 17 sponsoring members, which include the Stuttgart and Frankfurt Exchanges, Baader Bank, the direct banks comdirect bank, Consorsbank, DKB, flatexDEGIRO, ING-DiBa, maxblue, and S Broker, as well as finance portals and other service providers.

Berlin Office, Pariser Platz 3, 10117 Berlin, Germany  
Frankfurt am Main Office, Feldbergstr. 38, 60323 Frankfurt am Main, Germany

Your contact:  
Michaela Roth, Head of Communications / Press Officer  
Tel.: +49 (30) 4000 47520  
[michaela.roth@derivateverband.de](mailto:michaela.roth@derivateverband.de)

[www.derivateverband.de](http://www.derivateverband.de)